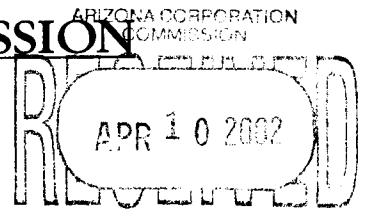


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

A

W-02678A
A. PETERSEN WATER COMPANY
P.O. BOX 807
CLAY SPRINGS AZ 85923-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

4-12-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>A. PETERSEN WATER CO.</u>		
Mailing Address <u>P.O. Box 807</u>		
<u>CLAY SPRINGS,</u> (City)	<u>AZ.</u> (State)	<u>85923</u> (Zip)
<u>928 739-4556</u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>SAME</u>		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>VAUGHN (Bill) PETERSEN</u> <u>PRESIDENT</u>			
<u>P.O. Box 807</u> (Street)	<u>CLAY SPRINGS</u> (City)	<u>AZ.</u> (State)	<u>85923</u> (Zip)
<u>928 739-4556</u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>SAME</u>			
<u></u> (Street)	<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: DAVID A. BROWN
(Name)

1546 E. WHITE MTN. BLVD PIKETOP AZ. 85935
(Street) (City) (State) (Zip)

928-367-3235
Telephone No. (Include Area Code)

Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: SAME AS STAT AGENT
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input checked="" type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

A. PETERSEN WATER CO.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	443	286	157
302	Franchises			
303	Land and Land Rights	1293	832	461
304	Structures and Improvements	7707	5005	2702
307	Wells and Springs	5000	3250	1750
311	Pumping Equipment	13,900	9035	4865
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3200	960	2240
331	Transmission and Distribution Mains	30,000	19,500	10,500
333	Services			
334	Meters and Meter Installations	1100	715	385
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	700	455	245
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	300	195	105
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	63643	40,233	23,410

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

A. PETERSEN Water Co.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	443	.05	22
302	Franchises			
303	Land and Land Rights	1293	.05	64
304	Structures and Improvements	7707	.05	385
307	Wells and Springs	5000	.05	250
311	Pumping Equipment	13,900	.05	695
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3200	.05	160
331	Transmission and Distribution Mains	30,000	.05	1500
333	Services			
334	Meters and Meter Installations	1100	.05	55
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	700	.05	35
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	300	.05	15
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	63 643		3181

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

A. PETERSEN WATER CO.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 3872	\$ 4675
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 3872	\$ 4675
	FIXED ASSETS		
101	Utility Plant in Service	\$ 53200	\$ 53,200
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	37,052	40,233
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 16,148	\$ 12,967
	TOTAL ASSETS	\$ 20,020	\$ 17,642

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

A. PETERSEN WATER CO.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$ 0
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 0	\$ 0
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1000	\$ 1000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 1000	\$ 1000

COMPANY NAME A. PETERSEN WATER Co.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 8814	\$ 9263
460	Unmetered Water Revenue		
474	Other Water Revenues	576	25
	TOTAL REVENUES	\$ 9390	\$ 9288
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$ 3000
610	Purchased Water		
615	Purchased Power	1410	1422
618	Chemicals		
620	Repairs and Maintenance	958	587
621	Office Supplies and Expense	649	752
630	Outside Services	546	720
635	Water Testing	158	938
641	Rents		
650	Transportation Expenses	581	420
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	4092	86
403	Depreciation Expense	3181	3181
408	Taxes Other Than Income		
408.11	Property Taxes	305	336
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 11,880	\$ 11,442
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$	\$
	NET INCOME/(LOSS)	\$ 2490	\$ 2154

COMPANY NAME

A. PETERSEN WATER CO.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	0	0	0	0
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 0

Meter Deposits Refunded During the Test Year

\$ 0

COMPANY NAME

A. PETERSEN WATER CO.

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-806500	10	60	8"	3/4"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = N/A

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	3000	1

STATISTICAL INFORMATION

Total number of customers 26

Total number of gallons sold 2,662,130 gallons

COMPANY NAME A. PETERSEN WATER CO. YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 9845
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported 1747
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Vaughn Petersen
SIGNATURE

04 APRIL 2002
DATE

VAUGHN PETERSEN
PRINTED NAME

PRESIDENT
TITLE

COMPANY NAME A. PETERSEN WATER Co. YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 336.98

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below: N/A

~~958-10-5-007~~
A. PETERSEN WATER COMPANY
ANN OR VAUGHN PETERSEN
P. O. BOX 807
4961 ROGERS LANE
CLAY SPRINGS, AZ 85923
520-739-4556

91-237
1221
22435574

2054

DATE 10-25-01

PAY TO THE
ORDER OF

NAVAJO COUNTY TREASURER

\$ 168.49

ONE HUNDRED SIXTY EIGHT AND 49/100

DOLLARS



Security Features
Included
Details on Back

BANK ONE.

Bank One, Arizona, NA
Phoenix, Arizona 85073
www.bankone.com

MEMO 2ND 1/2 2001 TAX

[Signature]

MP

⑆ 1 2 2 1 0 0 0 2 4 ⑆

2 2 4 3 5 5 7 4 ⑆ 2 0 5 4 ⑆ 0 0 0 0 0 0 1 6 8 4 9 ⑆

~~958-10-5-007~~
A. PETERSEN WATER COMPANY
ANN OR VAUGHN PETERSEN
P. O. BOX 807
4961 ROGERS LANE
CLAY SPRINGS, AZ 85923
520-739-4556

91-237
1221
22435574

2067

DATE 12-7-01

PAY TO THE
ORDER OF

NAVAJO COUNTY TREASURER

\$ 168.49

ONE HUNDRED SIXTY EIGHT AND 49/100

DOLLARS



Security Features
Included
Details on Back

BANK ONE.

Bank One, Arizona, NA
Phoenix, Arizona 85073
www.bankone.com

MEMO 2ND 1/2 2001 TAX

[Signature]

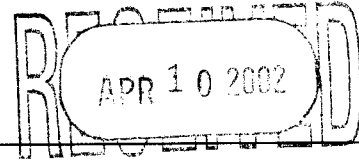
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**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>NAVAJO</u>
NAME (OWNER OR OFFICIAL) TITLE <u>VAUGHN PETERSEN</u>
COMPANY NAME <u>A. PETERSEN WATER COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 0

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

Vaughn W. Petersen
SIGNATURE OF OWNER OR OFFICIAL
928-739-4556
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

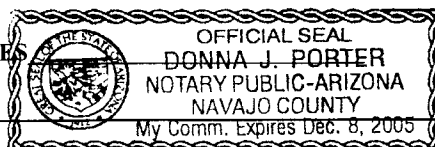
4

DAY OF

COUNTY NAME <u>NAVAJO</u>	
MONTH <u>April</u>	2002

(SEAL)

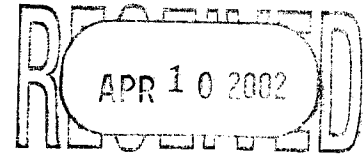
MY COMMISSION EXPIRES



Donna J. Porter
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>NAVAJO</u>	
NAME (OWNER OR OFFICIAL) <u>VAUGHN PETERSEN</u>	TITLE <u>PRESIDENT</u>
COMPANY NAME <u>A. PETERSEN WATER COMPANY</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 7288.

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 563.
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Vaughn W. Petersen
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

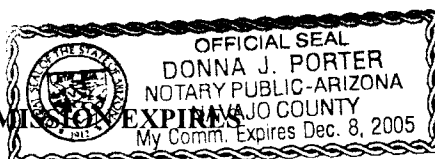
THIS

4

DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME <u>DONNA J. PORTER</u>	
COUNTY NAME <u>Navajo</u>	
MONTH <u>April</u>	<u>20 02</u>

X Donna J. Porter
SIGNATURE OF NOTARY PUBLIC